

**CALIFORNIA HIGH-SPEED RAIL AUTHORITY
MEETING MINUTES
October 16, 2002
SACRAMENTO, CALIFORNIA**

The meeting of the California High-Speed Rail Authority was called to order on October 16 at 9:23 a.m. at the State Capitol Building, Senate Hearing Room 112, 10th & L Streets, Sacramento, California.

Members Present: Rod Diridon, Chairperson
 Fran Florez, Vice Chairperson
 Dr. Ernest A. Bates
 William E. Leonard
 T.J. Stapleton

Members Absent: Jerry Epstein, Vice Chairperson
 Ben L. Hom
 Joseph E. Petrillo
 Leland Wong

Approval of Minutes for September 18, 2002 Meeting

Chairperson Diridon presented the minutes for approval. Member Leonard moved to approve the September 18, 2002 meeting minutes. Member Stapleton seconded the motion, which carried 5-0.

Authority Members' Meetings for Compensation

Chairperson Diridon presented the list of meetings for compensation for approval. The list of meetings for compensation was approved by consent, 5-0.

Personnel Issues

Chairperson Diridon presented Draft Resolution HSRA 02-01 for approval. This resolution would authorize Chairperson Diridon to appoint Mehdi Morshed as a retired annuitant in the position of Executive Director. Member Stapleton moved to approve Draft Resolution HSRA 02-01. Member Bates seconded the motion. At the request of Member Leonard and Chairperson Diridon, Executive Director Morshed summarized his professional qualifications and background.

Public Comment

Alan Miller, Executive Director of Train Riders Association of California (TRAC)

Mr. Miller stated that it is time to bring in real experts, professionals, and leaders that do not have political fundraising and corporate connections that over influence decision-making and leaders that will see the overall need for the state. Mr. Miller stated that it is time for a change at the High-Speed Rail Authority.

Resolution HSRA 02-01 carried, 5-0. Resolution HSRA 02-01 reads as follows:

WHEREAS, given his long involvement in transportation matters generally and in matters pertaining to high speed rail, as reflected by his service as a member of the High Speed Rail Commission and later as first a member of the High Speed Rail Authority, and then as its Executive Director, the Authority recognizes the incalculable value of Mehdi Morshed's services as Executive Director, and

WHEREAS, the Legislature and the Governor have encouraged agencies to investigate the possibility of reducing costs by participating in the Early Retirement Program, and

WHEREAS, the Authority could realize significant cost savings if, upon his retirement, Mehdi Morshed were to be appointed to the position of Executive Director as a retired annuitant, and

WHEREAS, the Authority's participation in the Early Retirement Program may provide a means for the Authority to continue to benefit from the services of Mehdi Morshed and to realize significant cost savings, and

WHEREAS, it is in the Authority's best interests to induce Mehdi Morshed to continue to serve the Authority as its Executive Director,

It is hereby RESOLVED as follows:

- 1. The Authority delegates to the Chairman of the Authority, or in the event he is unable to act, to the Vice Chair of the Authority, the authority, power, and duty to prepare and to submit to the Department of Finance a Program Participation Plan pertaining to the position of Executive Director of the Authority, in compliance with the Governor's Executive Order, No. D-63-02;*
- 2. In the event the Department of Finance approves the Authority's Program Participation Plan, the Chairman is authorized and directed to take all steps necessary to comply with Government Code section 20901, including, without limitation, the transmittal of funds as specified in subdivision (b) and the making on the Authority's behalf of any and all determinations, elections, and certifications specified in subdivision (c).*

It is further RESOLVED, that the Authority delegates to the Chairman of the Authority the power and duty to take all steps necessary to appoint Mehdi Morshed to the position of Executive Director of the Authority, as a retired annuitant, in the event Mr. Morshed retires from state service.

Members Reports

Chairperson Diridon reported that he attended approximately 15 meetings pertaining to the high-speed rail project during the month of October.

Executive Director's Report

Executive Director Mehdi Morshed reported on proposed and pending legislation pertaining to the Authority.

- SB796 (Costa). This bill would eliminate the Authority's sunset date of December 31, 2003. The Governor signed this bill on September 19th.
- SB1856 (Costa). This bill would provide for the issuance of a \$9.95 billion general obligation revenue bond for the purpose of funding the planning and construction of a high-speed train system in California. The Governor signed this bill on September 19th.

Executive Director Morshed reported that all the Contractors are working and the draft environmental document will probably be available in August of 2003. The Board accepted the revised due date of the draft Environmental Document as August 2003.

Executive Director Morshed reported that as a result of the Governor signing SB1856, staff revised the Authority's 2003-2004 budget request. The Authority is requesting appropriations of approximately \$7 million dollars for the following primary activities:

1. Finish the environmental work
2. Prepare an implementation plan
3. Revise ridership Information
4. Shared-use design issues
5. Public outreach
6. Federal liaison

The Governor will present his proposed budget for fiscal year 2003-04 in January 2003.

Executive Director Morshed reported that he and Chairperson Diridon would attend the INTA International Conference in Marseilles and the Eurailspeed 2002 International Conference in Madrid this month. Dr. Bates will also attend the Eurailspeed 2002 Conference.

Sacramento Area Council of Governments (SACOG) Presentation

Pete Hathaway, the Deputy Executive Director of SACOG discussed the current and future transportation plans of the Sacramento area. SACOG's regional long-range plan includes 7 extensions of the light rail system, carpool lanes on most of the urban freeways, interregional highway improvements north of the valley, expansion of Capitol Corridor rail service to the Bay Area to 16 trains a day, and designates interregional improvements going southward. The SACOG regional plan does not include high-speed rail at this time. Mr. Hathaway invited the Authority to present its proposal when ready to the SACOG Board and to SACOG's Regional Planning Partnership.

City of Sacramento Presentation

Paul Blumberg, the Senior Project Manager, Downtown Development Group of the City of Sacramento presented an overview of the planned downtown development, downtown train depot expansion and also discussed local goals for a high-speed train network. A copy of this presentation is available on request.

Public Comment

Alan Miller, Executive Director of Train Riders Association of California (TRAC)

Mr. Miller expressed support of utilizing existing train stations in Sacramento. TRAC has passed a resolution in support of Sacramento building a functionality of an existing station in order to accommodate the proposed high-speed train project.

Connie Miottel, Capitol Station District

Ms. Miottel discussed economic development and the quality of life in the downtown Sacramento area. Downtown Sacramento is on the verge of major redevelopment, which will create thousands of residential units and tens of thousands of jobs into the area. Ms. Miottel expressed support of the City of Sacramento and SACOG's plans for a downtown Sacramento intermodal station. The private community has also been actively involved in the planning of the intermodal station. Ms. Miottel expressed support for high-speed rail and a downtown intermodal station.

Dave Butler, Sacramento Metropolitan Chamber of Commerce

Mr. Butler expressed support of the development of a downtown Sacramento regional intermodal station. Sacramento Metropolitan Chamber of Commerce sends the largest delegation of any Chamber to Washington D.C. each year, to lobby on behalf of federal priorities for our region. Mr. Butler stated the Sacramento Metropolitan Chamber of Commerce would be happy to lobby on behalf of the proposed high-speed rail project.

Roxanne Miller, Save Our Rail Depot Coalition (SORD)

Ms. Miller stated that the Sacramento City Council has yet to endorse an alignment for a Sacramento intermodal station. The City Council has adopted a position to move forward on an environmental process that will allow all the preferred alternative alignments to be investigated. SORD proposes the utilization, expansion and modernization of the current historic station, REA building, the tracks and the platform.

Public Comment**Jerry Lamb, Magna Force, Inc.**

Mr. Lamb introduced LEVX magnetic rail technology to the Board. Mr. Lamb presented VHS videotapes and documentation pertaining to LEVX to the Board for their review.

Jack LaRochelle, City of Bakersfield

Mr. LaRochelle thanked Chairperson Diridon and Deputy Director Carrie Pourvahidi for their presentation in Bakersfield a couple of weeks ago. The presentation was well received by the Bakersfield City Council and the public. On behalf of Mayor Hall and the City Council, Mr. La Rochelle stated that Bakersfield is entirely committed to the proposed high-speed rail program. Bakersfield looks forward to hosting the next Board meeting on November 20th. The City of Bakersfield and Kern Council Of Governments are working together to develop a consensus for a high-speed rail station. Mr. LaRochelle expressed support for a downtown Bakersfield multimodal station.

Alan Miller, Executive Director of Train Riders Association of California (TRAC)

Mr. Miller stated that TRAC has attended and commented at many Authority Board meetings. He expressed his support of the high-speed rail project. Mr. Miller stated that the public should be aware that Mr. Diridon also serves as the Executive Director of the Mineta Transportation Institute and this Institute receives funds from a number sources, sources which might in the future seek a role in or benefit from a high speed train project, and indicated that this gives rise to an appearance of impropriety which could harm the high speed rail project.

John Ferdinandi, Jr., Fresno Area Residents for Rail Consolidation (FARRC) & the City of Fresno

Mr. Ferdinandi stated that Fresno residents in support of high-speed rail set up a booth at a recent County Fair, where over 100, 000 people were present. The residents spoke to and distributed brochures to over 3,000 people. 98% of the people they spoke to asked, "When are we getting high-speed rail?" Mr. Ferdinandi stated the Central Valley is growing and needs high-speed rail.

Identification of Date and Location of Next Meeting

The next Authority Board meeting is scheduled on November 20, 2002 in Bakersfield, CA.

Meeting was adjourned at 11:30 a.m.